

**YUKON DELTA FISHERIES DEVELOPMENT ASSOCIATION
COMMUNITY DEVELOPMENT QUOTA
THIRD QUARTER REPORT
FOR THE PERIOD JULY 1 – SEPTEMBER 30, 2004**

TABLE OF CONTENTS

	PAGE
I. QUARTERLY HIGHLIGHTS	3
II. COMMUNITY DEVELOPMENT	5
A. PROGRESS TOWARD GOALS, OBJECTIVES, MILESTONES	5
B. OUTREACH	21
C. EMPLOYMENT	
1. EMPLOYMENT DATA FORM	24
2. SUMMARY	24
NOTES TO EMPLOYMENT DATA FORM	25
D. TRAINING	
1. TRAINING DATA FORM	27
2. SUMMARY	27
NOTES TO TRAINING DATA FORM	28
E. OTHER ISSUES	
III. ADMINISTRATION	31
A. BOARD ACTIVITIES	31
1. CHANGES IN MEMBERS	
2. SUBSTANTIAL DECISIONS/RESOLUTIONS	
3. MINUTES (<i>CONFIDENTIAL</i>)	EXHIBIT C
BOARD OF DIRECTORS MEETING AUGUST 10 AND 11, 2004	
B. STATE OF ALASKA REPORTING COMPLIANCE	31
C. CDP AMENDMENT STATUS	31
D. OTHER ISSUES	31
IV. HARVESTING ACTIVITIES	
A. POLLOCK & MULTI-SPECIES TABLES	32
B. CDQ FISHING ACTIVITIES	39
C. COMPLIANCE	39
D. OTHER FISHING ISSUES/ACTIVITIES	39
V. CONFIDENTIAL ISSUES	EXHIBIT A - C

- A. FINANCIAL STATEMENTS (*CONFIDENTIAL*) EXHIBIT A
1. YDFDA & SUBSIDIARIES CONSOLIDATING STATEMENT OF FINANCIAL POSITION
 2. YDFDA & SUBSIDIARIES CONSOLIDATING STATEMENT OF ACTIVITIES
 3. YDFDA & SUBSIDIARIES STATEMENT OF CASH FLOWS
 4. YDFDA & SUBSIDIARIES CONSOLIDATING STATEMENT OF ADMINISTRATIVE EXPENSES
 5. YDFDA & SUBSIDIARIES STATEMENT OF ROYALTY INCOME
 6. YDFDA STATEMENT OF FINANCIAL POSITION
 7. YDFDA STATEMENT OF ACTIVITIES
 8. YDFI STATEMENT OF FINANCIAL POSITION
 9. YDFI STATEMENT OF ACTIVITIES
 10. LISA MARIE, LLC STATEMENT OF FINANCIAL POSITION
 11. LISA MARIE, LLC STATEMENT OF ACTIVITIES
 12. EMMONAK LEADER BALANCE SHEET
 13. EMMONAK LEADER INCOME STATEMENT
 14. ALAKANUK BEAUTY BALANCE SHEET
 15. ALAKANUK BEAUTY INCOME STATEMENT
 16. ROMANZOF FISHING CO. LLC FINANCIAL STATEMENT

B. TAX ISSUES – NONE

C. IMMINENT MAJOR INVESTMENTS/CONFIDENTIAL ISSUES
(*CONFIDENTIAL*) EXHIBIT B

D. OTHER

SCHOLARSHIP COMMITTEE MINUTES – None
(*CONFIDENTIAL*) EXHIBIT C

MISCELLANEOUS EXHIBITS

YDFDA NEWSLETTERS AND ANNOUNCEMENTS

I. QUARTERLY HIGHLIGHTS: July – September 2004

July 2004

- Participated in the logistics and preparation and opening of the Construction Training Academy in St. Mary's for 17 trainees
- Referred a client to the Alaska Small Business Development for assistance
- Kwikpak Fisheries buying King Salmon on the Yukon River
- Kwikpak Fisheries hosted a 4th of July picnic in Emmonak to thank the regional fishermen for selling their fish to Kwikpak Fisheries
- F/V Lisa Marie fishing for IFQ and CDQ halibut and sablefish with 2 residents aboard

August 2004

- YDFDA Board of Directors and CDP Meetings in Anchorage
- Made recruiting presentations in all villages with US Seafoods representative
- Presented YDFDA scholarship and training opportunities to 17 students at the Construction Training academy
- Escorted Commissioner Blatchford of DCED, Greg Cashen, State CDQ Manager, and staff to tour the Construction Training Academy in St. Mary's and Kwikpak Fisheries
- Hosted the closing ceremonies and awarded 16 certificates of completion to the trainees
- Met with Donna Logan of the McDowell Group to review the Phase I draft report and provide feedback on the feasibility of Cultural Tourism – Fish Camp Experience
- Met with Matt Tullar of the Alaska Small Business Development Center to plan for an upcoming small business workshop
- F/V Lisa Marie fishing for IFQ and CDQ halibut and sablefish with 3 residents aboard
- Kwikpak Fisheries worked with Norton Sound Crab fishermen
- Sponsored First Aid Classes in Alakanuk and Emmonak with 32 residents attending

September 2004

- Met with Mike Andrews of Alaska Works Partnership to evaluate the training academy
- Participated in the Rose Urban/Rural Exchange Task Force Committee meeting
- Participated in the Ruralcap Foundation Board of Directors meeting
- Interviewed student applicants for the urban/rural exchange program
- Participated in the Foraker Group Operations Board of Directors meeting
- Attended a board leadership training by a renowned expert on non-profit boards
- Assisted several residents requesting information about the YDFDA Scholarship program

- Kwikpak Fisheries buying fall chum and coho salmon. Kwikpak Fisheries was the only buyer on the river for this fishery
- M/V Lisa Marie fishing for IFQ and CDQ halibut and sablefish with 3 residents aboard

II. COMMUNITY DEVELOPMENT

A. PROGRESS TOWARD GOALS, OBJECTIVES, MILESTONES

PROPOSED FOR-PROFIT PROJECTS

ADDITIONAL INVESTMENT IN GOLDEN ALASKA

1. Provide a minimum return on investment of 8%.

See Confidential Issues.

2. Acquire additional mothership pollock quota.

See Confidential Issues.

3. Add at least one job on each catcher vessel and increase positions on Golden Alaska.

No additional quota has been acquired; therefore there is no activity on this milestone.

4. Increase the production and profitability of the original Golden Alaska investment.

See confidential issues.

CRAB/COD CATCHER PROCESSOR

5. Provide an 8% minimum return on investment.

See Confidential Issues.

6. Provide up to 12 positions for YDFDA residents.

See Confidential Issues.

7. Harvest CDQ and non-CDQ Pacific cod and crab.

See Confidential Issues.

8. Produce operating efficiencies from operating with C/P Baranof.

See Confidential Issues.

JOINT VENTURE CRAB VESSEL(S)

9. Provide an 8% minimum return on investment.

See Confidential Issues.

10. Provide 2-4 fishing positions for YDFDA residents.

See Confidential Issues.

JOINT VENTURE LONGLINE C/P VESSEL

11. Provide an investment return of a minimum of 8%.

See Confidential Issues.

12. Provide 2 – 4 crew member positions for YDFDA residents.

See Confidential Issues.

13. Assure long-term career employment for qualified Yukon Delta residents.

See Confidential Issues.

SHORESIDE POLLOCK INVESTMENT

14. Provide a minimum return on investment of 8%.

See Confidential Issues.

15. Provide jobs on each catcher vessel plus opportunity for jobs at shoreside plants.

See Confidential Issues.

16. Acquire additional non-CDQ pollock quota.

See Confidential Issues.

17. Diversify pollock investment to other sectors.

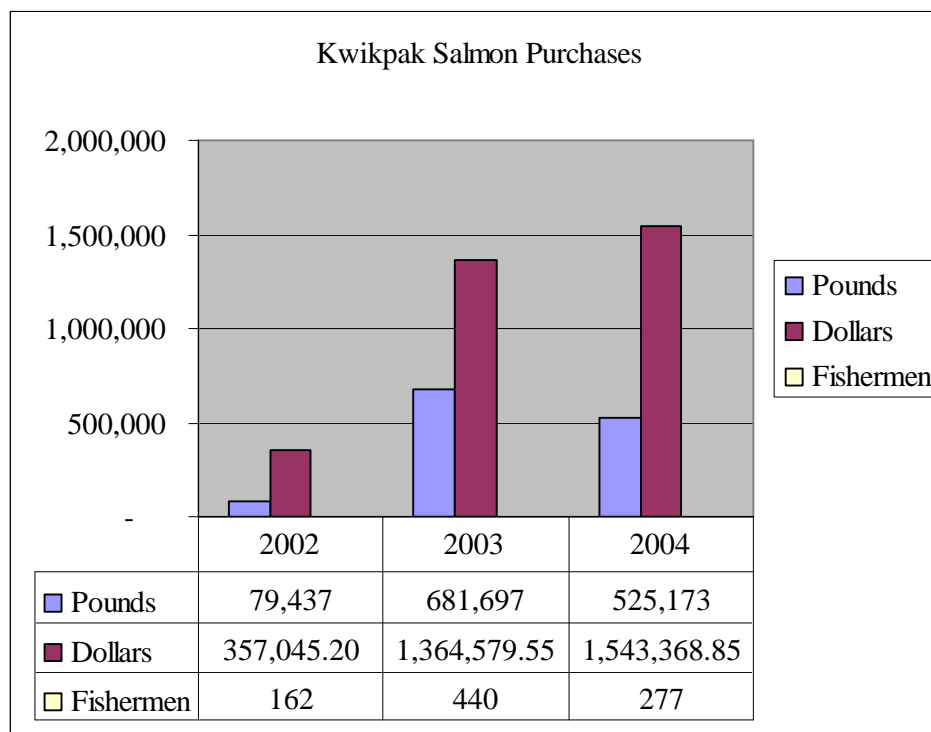
See Confidential Issues.

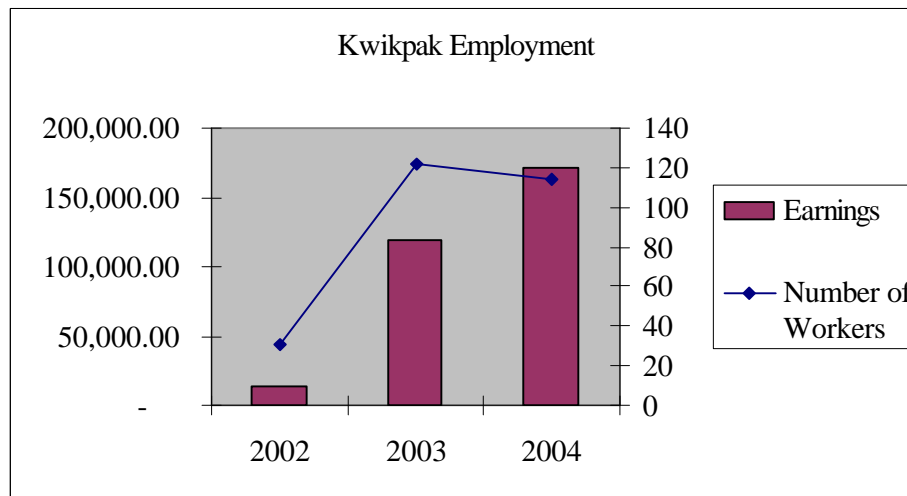
ACTIVE FOR-PROFIT PROJECTS

MAJOR FISH BUYER ON THE YUKON

18. Kwipak Fisheries acquired land and buildings from Yukon Delta Fish Marketing Co-op (YDFMC) through foreclosure in June 2004. This has provided Kwipak Fisheries with waterfront facilities in Emmonak as a base of operations. Purchased salmon at Emmonak, Kotlik and Mountain Village. YDFDA will further assess operations to determine the extent and type of investment in this processing facility. Kwipak Fisheries further developed the plan to integrate the Emmonak operations with the purchase of fish out of Kotlik and Mountain Village. A covered steel barge was purchased for use as a buying station. This barge was utilized at Mountain Village as a buying station to address concerns from residents of district Y2 of the Yukon regarding the lack of commercial markets. YDFDA continues to negotiate with the Co-op for the possible purchase of additional assets. YDFDA continues working to develop a domestic market for Yukon king salmon which would support a high end ex-vessel price to Yukon fishermen.

Kwipak Fisheries has had a major impact on the lives of our residents. The following charts show the number of people impacted either as fishermen or Kwipak employees and the dollars infused into the local economy over the last 3 seasons.





For additional details, [see Confidential Issues.](#)

INVESTMENT IN GASLLC, LLC

19. Provide ownership in M/V Golden Alaska on risk free basis.

Purchase of ownership in M/V Golden Alaska is financed through a non-recourse note that is payable from profits of the M/V Golden Alaska.

20. Arrange for harvest processing of CDQ Pollock at a competitive royalty.

See Financial Statements

21. Provide a minimum of 25 processor jobs on Golden Alaska during A Season.

24 Yukon Delta residents were aboard the Golden Alaska during the first quarter. 12 were first time trainees, 12 were returning crew. We are very proud of the fact that our entire crew of 24 stayed on the boat for the entire season.

22. Provide a minimum of 15 processor jobs on Golden Alaska during B Season.

15 Yukon Delta residents were aboard the Golden Alaska during the second quarter. 12 were first time trainees, 3 were returning crew.

13 Yukon Delta residents were aboard the Golden Alaska during the third quarter. 12 were continuing from the second quarter and 1 was a first time trainee.

23. Provide 1 – 2 jobs on non-YDFDA owned catcher vessels fishing for Golden Alaska.

1 resident was aboard the F/V Vanguard as a first time trainee during the first quarter. He did not work in the second quarter, but we are reporting wages earned in the first quarter below.

Crew shares earned to date: \$22,386.51

YDFDA Training wages to date: \$11,193.26

NOTE: Training wages are included in crew shares.

F/V LISA MARIE

24. Provide 2 – 3 permanent fishing positions for Yukon Delta residents.

4 Yukon Delta residents were aboard the F/V Lisa Marie during the first quarter. 3 were first time trainees, 1 was returning crew.

4 Yukon Delta residents were aboard the F/V Lisa Marie during the second quarter. 2 were first time trainees, 2 were returning crew.

3 Yukon Delta residents were aboard the F/V Lisa Marie during the third quarter. 1 was a first time trainee, 2 were returning crew.

25. Provide Yukon Delta residents with long-term crew shares.

Crew shares earned to date: \$64,941.77

YDFDA Training wages to date: \$3,246.45

26 Return an annual profit of \$100,000.

The F/V Lisa Marie is expected to exceed its annual profit goals.

27. Harvest CDQ crab, halibut, sablefish and IFQ halibut and sablefish.

In the 1st and 2nd quarters the F/V Lisa Marie harvested CDQ opilio crab and IFQ and CDQ sablefish. At the end of the quarter it was preparing to fish Halibut quota.

In the 3rd quarter the F/V Lisa Marie harvested IFQ and CDQ halibut and sablefish.

INVESTMENT IN ALAKANUK BEAUTY, LLC & EMMONAK LEADER, LLC

28. Provide a minimum rate of return of 10% to YDFDA.

29. Provide 2 – 4 catcher vessel jobs for residents.

1 resident was aboard the F/V Ocean Leader as returning crew

1 resident was aboard the F/V American Beauty as returning crew
The crewman that has been an intern on the F/V American Beauty for the past few years has now been integrated into the regular crew rotation as a full time crewman with full crew share.

NOTE: Wages will be reported in the 4th quarter.
Crew shares earned to date: \$74,365.39
YDFDA Training wages to date: \$37,182.69
NOTE: Training wages are included in crew shares.

30. Harvest a portion of YDFDA's pollock CDQ

The F/V American Beauty, and F/V Ocean Leader harvested over 40% of YDFDA's "B" Season CDQ pollock quota by the end of September.

31. Build long-term, non-CDQ access to Bering Sea resources.

The majority of the harvest and income for these vessels is derived from their catch history and the American Fisheries Act. Each has a long term history of approximately 6% of the offshore mothership quota and smaller amounts of shoreside Pollock. Their entire "B" season CDQ and AFA quotas were harvested during the third quarter.

ROMANZOF FISHERIES, LLC

32. Provide a minimum return on investment of 10%.

33. Provide up to 1-2 positions to YDFDA residents.

During the third quarter, YDFDA again attempted to recruit people from both CDQ and non-CDQ villages. We have found it difficult to find residents interested in non-pollock processing job opportunities.

34. Help ensure that 100% of CDQ Pacific cod, crab and sablefish are harvested.

The C/P Baranof harvested CDQ Pacific cod in the 3rd quarter and prepared to begin fishing CDQ Bristol Bay red king crab.

35. Harvest non-CDQ Pacific cod, crab and sablefish.

In the 3rd quarter, the C/P Baranof fished for open access Pacific cod and IFQ sablefish in the Gulf of Alaska.

IFQ SHARE PURCHASES

36. Purchase sablefish and halibut IFQ shares.

YDFDA continues to look for opportunities to purchase additional IFQ shares. In the 2nd quarter we purchased 4A and 4D IFQ Halibut class “A” quota shares.

37. Provide additional royalty income to YDFDA which will provide a minimum of 6% return on investment.

F/V Lisa Marie fished IFQ halibut and sablefish in the 2nd and 3rd quarters. See confidential section for financial information.

38. Provide increased fishing time and vessel profits to Lisa Marie and/or the C/P Baranof that in turn provides longer fishing time for residents.

F/V Lisa Marie fished IFQ and CDQ halibut and sablefish in the 3rd quarter with 3 residents onboard.

PROPOSED NON-PROFIT PROJECTS

CULTURAL TOURISM – FISH CAMP EXPERIENCE

39. Contact adventure tour and specialty tour companies like Alumni Association Tours. Seek advice and support from Alaska Wilderness Recreation and Tour Association. Complete marketing analysis (likely to be contracted out to consultant familiar with remote tour operations). Identify willing residents and support staff. Select fish camp sites. Develop a business plan that integrates marketing, accommodations, transportation and other cultural activities. Develop a web site. Provide training for staff and host families.

During the month of June, McDowell Group representatives visited the villages of Emmonak, Nunam Iqua, St. Mary’s, Grayling, Anvik and various surrounding fish camps in the areas. The purpose of the on site visits was to familiarize themselves with the Yukon Delta area, its people, culture and the infrastructure capacities of each community. Their findings will be part of the feasibility study which is scheduled to be completed in September.

In September, Phase I of the feasibility study was completed. This report assessed the market for tourism opportunities in the Yukon Delta area. The scope of the study was expanded from its original scope as a cultural camp feasibility study to a broader examination of cultural tourism potential. Phase II of the feasibility study is currently being developed and will be completed in November.

VESSEL SAFETY AND NAVIGATION

40. Provide Vessel Safety, First Aid and Navigation Training annually to 30 Yukon Delta residents.

Navigation course were held in Mtn. Village and Kotlik during the first quarter, arrangements were made to hold classes in Alakanuk, Emmonak and Nunam Iqua during the second quarter, however due to scheduling, classes have been postponed until the fourth quarter.

41. On a bi-annual basis provide vessel operator safety (CPR) re-certification.

In the third quarter first aid classes were provided by the Yukon Kuskokwim Health Corporation. 32 residents took advantage of this course. The classes were held in Emmonak and Alakanuk.

SAFFRON COD TEST FISHERY

42. Obtain state waters experimental fishing permit. Harvest 500 pounds. Identify a market and send out samples.

Due to market analysis that showed it would not be profitable for fishermen to harvest saffron cod, YDFDA is exploring other species that may be more economical to harvest. Fishermen have been contracted requesting samples of various whitefish, clams, shrimp and snails for market analysis.

ACTIVE NON-PROFIT PROJECTS

COMPREHENSIVE JOBS

43. Place 85 Yukon Delta residents in jobs in offshore fisheries.

1st Quarter

24 residents were aboard the M/V Golden Alaska processing Pollock
1 resident was aboard the F/V American Beauty fishing for Pollock
1 resident was aboard the F/V Ocean Leader fishing for Pollock
1 resident was aboard the F/V Vanguard fishing for Pollock
4 residents were aboard the F/V Lisa Marie fishing for crab and sablefish
3 residents were aboard the F/T Seafreeze processing cod
2 residents worked at Westward Seafoods' shorebased facility processing crab

2nd Quarter

15 residents were aboard the M/V Golden Alaska processing Pollock
1 resident was aboard the F/V American Beauty fishing for Pollock
1 resident was aboard the F/V Ocean Leader fishing for Pollock
4 residents were aboard the F/V Lisa Marie fishing for sablefish
6 residents worked at Peter Pan's Dillingham plant processing salmon
2 residents worked at CVRF's Quinhagak plant processing salmon

3rd Quarter

13 residents were a board the M/V Golden Alaska processing Pollock
1 resident was aboard the F/V American Beauty fishing for Pollock
1 resident was aboard the F/V Ocean Leader fishing for Pollock
3 residents were aboard the F/V Lisa Marie fishing for IFQ and CDQ halibut and sablefish
5 residents worked at Peter Pan's Dillingham plant processing salmon
6 residents participated in the Norton Sound Crab fishery
3 residents were aboard the F/T Seafreeze; 2 processing cod; 1 in housekeeping

4th Quarter

VOCATIONAL TRAINING

44. Provide 20 Yukon Delta residents with vocational training.

3 residents graduated from vocational training programs at AVTEC.
1 resident is enrolled in a carpenter's apprenticeship at Southern Alaska Carpenters Training in Anchorage (1st qtr).
1 resident took flight training at Yuut Yaqungviat Flight Training in Bethel (1st qtr).
1 resident took heavy equipment training at Northern Industrial Training in Palmer
2 residents took construction training at the Center for Employment Education in Palmer (2nd qtr).
1 resident went to Anchorage to interview with Alaska Works Partnership

3rd Quarter

4 residents were enrolled in vocational training programs at AVTEC
17 residents participated in the Construction Training Academy in St. Mary's
1 resident is enrolled in vocational training at Seattle Central Community College

45. Provide 1 training class for the Board of Directors.

YDFDA's Board of Directors training is scheduled for December.

46. Provide 1 training class for Village Representatives.

YDFDA's Village Representative training is scheduled for December.

SCHOLARSHIPS

47. Provide 20 residents with scholarships.

Eighteen scholarships were awarded in the first quarter, continuing in the second quarter.
Twenty scholarships were awarded in the third quarter. 14 were new students, 6 were continuing students.

48. Provide 10 residents with “B” scholarship (regional, non-CEQ residents)

One “B” scholarship was awarded in the first quarter.

One “B” scholarship was awarded in the second quarter.

One “B” scholarship was awarded in the third quarter.

49. Contribute \$200,000 annually (this is a \$50,000 increase) to Yukon Delta Education Fund (includes “B” Scholarship program)

50. Receive Fishery Tax Credit Contributions in excess of \$150,000.

INTERNSHIPS AND APPRENTICESHIPS

51. Place 6 residents as crew on catcher vessels.

3 residents participated in the catcher vessel internship program aboard the F/V American Beauty, F/V Ocean Leader and F/V Vanguard in the first quarter. 2 residents participated in the catcher vessel internship program in the second quarter.

4 residents participated in the catcher vessel internship program aboard the F/V Lisa Marie in the first quarter. 4 residents participated in the catcher vessel program aboard the F/V Lisa Marie in the second quarter. 2 were returning, 2 were new.

In the third quarter 2 residents continued in the catcher vessel internship program aboard the F/V American Beauty and F/V Ocean Leader. 3 residents participated in the catcher vessel internship program aboard the F/V Lisa Marie. 2 were returning, 1 was new.

52. Place 3-5 residents as interns in private companies.

1 resident was employed as an advanced intern at Peter Pan Seafoods and Kwipak Fisheries in Seattle.

1 resident was employed as an engine mechanic intern at J. Kimberly Service in Anchorage.

1 resident was employed as a HACCP intern at Icicle Seafoods’ Bering Star in Dutch Harbor.

3 residents were employed by The Department of Fish and Game in Emmonak. They operated test net sites on the Yukon River.

1 resident was employed as an accounting intern for Kwipak Fisheries in YDFDA’s Seattle office.

RURAL DEVELOPMENT SPECIALIST

53 YDFDA's Rural Development Specialist works with the YDFDA Board of Directors, regional communities (tribal, city and village corporations) on issues ranging from local and regional planning, community and economic development projects and job training for private and public construction.

July

- Participated in the logistics and preparation and opening of the Construction Training Academy in St. Mary's for 17 trainees;
- Referred a client to the Alaska Small Business Development for assistance;

August

- Presented YDFDA scholarship and training opportunities to 17 students at the Construction Training academy;
- Participated in a CDP meeting;
- Escorted Commissioner Blatchford of DCED, Greg Cashen, State CDQ Manager, and staff to tour the Construction Training Academy in St. Mary's;
- Hosted the closing ceremonies and awarded 16 certificates of completion to the trainees;
- Met with Donna Logan of the McDowell Group to review the Phase I draft report and provide feedback;
- Met with Matt Tullar of the Alaska Small Business Development Center to plan for an upcoming small business workshop;

September

- Met with Mike Andrews of Alaska Works Partnership to evaluate the training academy;
- Participated in the Rose Urban/Rural Exchange Task Force Committee meeting;
- Participated in the Ruralcap Foundation Board of Directors meeting;
- Interviewed student applicants for the urban/rural exchange program;
- Participated in the Foraker Group Operations Board of Directors meeting;
- Attended a board leadership training by a renowned expert on non-profit boards;
- Assisted several residents requesting information about the YDFDA Scholarship program;

ALUMINUM BOAT FABRICATION AND REPAIR

54. Continue to operate shop in Alakanuk for small vessel construction and repairs.

During the first three quarters the Alakanuk facility completed assembly of 6 new aluminum skiffs. In preparation for the upcoming salmon season, the shop concentrated on skiff repairs and repair and fabrication work at Kwipak Fisheries facilities. Repairs were completed on 12 skiffs. Modification to the salmon buying platform and the steel barge "Sunshine VI", were also completed.

55. Expand production to include aluminum ATV trailers and sleds.

Due to the overwhelming interest in the purchase of aluminum skiffs, skiff production has taken precedence over trailer production. An aluminum ATV trailer was designed and purchased and is currently being shown in a couple of the communities to obtain feedback on the design and to gauge the amount of interest in that design. The company that would provide the aluminum kits has forwarded an offer to provide enough aluminum to build 12 kits if the design is acceptable. Trailer production will be done on an as needed basis only.

56. Considering the leasing or building of a larger facility for vessel construction and repair.

YDFDA continues to lease a shop at Alakanuk for skiff production and repair.

YDFDA has included in its 2006-2008 CDP a plan to build a welding shop and fishing support center in Alakanuk.

57. Provide employment for 1 – 4 welders annually depending upon demand.

3 residents were employed by the Alakanuk Shop during the 1st quarter. All 3 continued from previous quarters.

2 residents were employed by the Alakanuk Shop during the 2nd quarter. Both were continuing from previous quarters.

3 residents were employed by the Alakanuk Shop during the 3rd quarter. All 3 continued from previous quarters.

NORTON SOUND HERRING AND CRAB FISHERIES

58. Diversify local fishing from salmon into other fisheries.

YDFDA continues to attempt to diversify local fishing efforts from salmon to other fisheries. YDFDA has found another buyer for Arctic lamprey and has made arrangements for that fishery to be prosecuted from the villages of St. Mary's and Grayling. YDFDA had asked for an increase in the quota from ADF&G, but ADF&G has decided that the fishery will be conducted at GHs comparable to 2003. YDFDA, through Kwipak Fisheries, continues to search for markets for undeveloped local species including whitefish, snails, shrimp and clams.

59. Help secure a market for 31 herring permit holders and 16 crab permit holders.

YDFDA, working with NSEDC, ensured that there was a market for fisherman from the Yukon participating in the commercial Norton Sound crab fishery. YDFDA felt that with its newly expanded operations in the salmon fishery it would be prudent to delay development of its crab buying operations for a summer. These fishermen were

able to deliver crab to NSEDC's tender vessel off of Golovin and to NSEDC's plant in Nome.

60. Assist 4 resident herring fishermen in purchasing reels and shakers annually.

Due to the lack of market demand, there is no fish buying company willing to take the risk of purchasing Norton Sound herring in 2004. Because there will be no fish buying in Norton Sound this year, we have discouraged the purchase of reels and shakers.

61. Assist resident crab fishermen in purchasing davits, blocks and pots.

YDFDA outfitted two vessels with gear to participate in the commercial crab fishery following the Yukon River salmon season.

LOAN GUARANTEES

62. Familiarize residents with the risks and advantages of participating in YDFDA's loan guarantee program.

Due to recent changes within the Alaska Division of Investments which mandate that applicants apply first through the Commercial Fisheries and Agricultural Bank, the YDFDA Board of Directors will review YDFDA's loan policy to possibly extend the guarantee program to Commercial Fisheries and Agricultural Bank.

During the third quarter, notices were posted in the communities to familiarize residents with the YDFDA loan program.

63. Provide loan guarantees to qualified applicants for the purchase of Yukon River salmon, Cape Romanzof herring, and Norton Sound herring limited entry permits.

YDFDA provided technical assistance to two residents for the purpose of buying Yukon River salmon permits. A number of applicants are being considered by the Division of Investments for possible loans with guarantees from YDFDA.

64. Provide loan guarantees to qualified applicants to purchase fishing gear and vessels.

YDFDA provided technical assistance to eight residents inquiring about our loan program for the purchase of vessels and equipment. A number of applicants are being considered by the Division of Investments for possible loans with guarantees from YDFDA.

TEST FISHERIES AND DEVELOPMENT

65. Work with fishermen to locally harvest CDQ halibut allocation by 2005.

With our newly expanded salmon operations taking up time and effort we felt it would be prudent to delay for a summer the exploration and development of a near shore halibut fishery.

66. Diversify local fishing from salmon into other species, including underutilized local species such as lamprey, cisco, in-river whitefish and shellfish.

YDFDA secured a market to once again provide commercial fishing of lamprey for the second year for Yukon fishermen in 2004. Fishermen have been contracted to provide samples of various whitefish, shrimp, snails and clams to research market acceptability.

67. Provide employment to residents through fishing, processing and shipping of other species.

YDFDA secured a market to provide commercial fishing opportunities for lamprey the fall of 2004. This would include employment by residents involved in packaging and shipping of the product.

68. Provide additional source of product to salmon buying operation

Due to the expansion of the salmon operations, no additional non salmon product was processed at the plant.

REGIONAL FISHERIES ECONOMIC DEVELOPMENT

69. Fund individuals, communities and organizations that promote development opportunities in the lower Yukon.

During the month of January, the Alaska Board of Fisheries met in Fairbanks to consider changes to the Yukon River salmon fisheries. Given the large investment made by YDFDA, through Kwipak Fisheries in the Yukon River fishery, making sure that the fishery is able to continue without unreasonable restrictions is critical. Proposals had been submitted by some Yukon River users to severely limit the opportunity for a commercial fishery to proceed in the lower river, despite recent increases in the size of the runs.

YDFDA sponsored its board members and 7 resident fishermen to represent the commercial fishery at the Fairbanks meeting. The representatives testified at the meeting explaining the importance of the commercial fishery to the economy of the region, the fact that the fishery does not impact upriver users, and that the fishing techniques are not endangering the runs. The Board of Fisheries agreed with the comments made by the lower river fishermen and did not make any changes in the regulations governing the fishery.

While the fishery was discussed thoroughly at the January meeting, a petition was prepared by the Fairbanks Fish and Game Advisory Committee requesting reconsideration of their decisions during their February meetings in Anchorage. Again, YDFDA supported 7 resident fishermen to participate at this meeting to ensure that the voice of the lower Yukon was heard. Again, the Board rejected any changes to the fishery. Clearly, however, the issues surrounding the salmon runs in the Yukon will continue to be contentious in the future.

YDFDA made a donation to Alaska Business Development Center for tax preparers to travel to all 6 of our villages to help residents file tax returns.

In May, YDFDA made a donation to the Fish Defense Fund which would allow for an assessment of the impact of the interception of summer chum bound for Western Alaska including the Yukon.

In May we also funded YR DFA to provide teleconferences during the summer fishing season. These teleconferences enable ADF&G to get an assessment on run strength which facilitates the opening of commercial fisheries earlier.

YDFDA makes an annual contribution to village entities for local needs. Maximum annual contribution per village is \$2,500.

2004 Donations

Calista Elder's Council	\$1,250
Marvin Deacon, Grayling Wellness Counselor	\$2,500
Kotlik Yupik Corporation	\$1,125
Kotlik City Council	\$1,125
Emmonak Resource Committee	\$2,250
Mtn. Village Search & Rescue	\$2,000
Asa'carsarmiut Dancers	\$250
Nunam Iqua School Natural Helpers	\$2,100

ACTIVE INFRASTRUCTURE PROJECTS

LOWER YUKON REGIONAL SALMON QUALITY

70. Provide ice machines and insulated fish totes to 4 villages on the lower Yukon River.

YDFDA purchased a covered steel barge, the Sunshine VI, to utilize as a buying station in Y2. This barge came equipped with an ice machine and chill room. To ensure quality was maintained throughout the season, YDFDA, through Kwipak Fisheries, installed a secondary ice machine on the barge which guaranteed product had adequate levels of ice throughout the harvesting and transportation processes. Fishermen utilized the previously purchased totes in the commercial fishery.

In the fourth quarter of 2003, YDFDA applied for and received a \$170,000 Fisheries Economic Development grant from the State of Alaska. This grant will be used to purchase equipment. During the second quarter of 2004, YDFDA, through Kwikpak Fisheries, began the process of modifying a newly acquired building at Emmonak for the placement of this equipment when purchased. This equipment should enable Kwikpak Fisheries to process chum salmon at a minimum expense. Any savings realized would be used to boost the ex-vessel price paid to fishermen for chum salmon. This may make it worthwhile for fishermen to once again target chum salmon.

71. Introduce and continue instructing salmon quality techniques to fishermen on the Yukon River.

Preseason village meetings were held in June with fishermen in Alakanuk, Emmonak, Kotlik and Mountain Village to review the importance of and techniques for delivering top quality salmon for sale. We also met preseason with fishermen from district Y2 of the Yukon in Pilot Station and St. Mary's to emphasize the importance of harvesting and delivering top quality salmon.

72. Build into Yukon Salmon Regional Marketing.

In February, Kwikpak Fisheries received an Alaska Salmon Marketing Grant in the amount of \$160,000. The grant is to assist in the creation of new markets and product lines, product labeling, packaging and advertising.

With the King season over, marketing efforts focused on future sales and needed advertising materials. Work began on a web site which will allow Kwikpak Fisheries to sell salmon at retail prices over the internet. We have arranged for a booth at both the International West Coast Seafood show in late October and the Boston Seafood show next spring.

Design work began on a Kwikpak's logo/label and the final form was completed in late September. Work also began on creating a brochure and folder. These will be completed in October prior to the West Coast Seafood show in Long Beach, CA.

Customers who promoted Kwikpak's Yukon Kings were very pleased with the product and the support given them. We have visited with Seattle area customers and have kept in contact with those in other areas of the country during the past two months. A number of grocery chains who came in too late for the 2004 season will be featuring Kwikpak's Yukon Kings next year.

The primary focus for next season is to educate buyers as to why they should buy Kwikpak's product and why our product is of higher quality.

ACTIVE FUND/CASH MANAGEMENT PROJECTS

RESERVE FUND

73. To maintain Reserve Funds adequate to mitigate the effects of a downturn in the fishing industry, preserve capital, provide investment return and liquidity.

See Financial Statements.

74. At a minimum have one year's operational expenses covered by Reserve Fund.

See Financial Statements.

ADMINISTRATIVE EFFORTS

ADMINISTRATION BUDGET

75. YDFDA board review on a quarterly basis to ensure that Board and administration expenses remain below 20% of projected income (income defined as royalty, income from joint venture investments and investment income).

See Financial Statements.

76. YDFDA Board reviews administrative expenses on a quarterly basis and adjustments made as necessary to keep expenses below the 20% threshold.

See Financial Statements.

B. OUTREACH

YDFDA's scholarship program includes non-CDQ villages in the region. This includes non-CDQ villages on the Yukon River between Grayling and Mt. Village, which are included in the Lower Yukon and Iditarod School Districts. The Scholarship Committee met in August to approve scholarship recipients and approve minor changes to the scholarship policies.

In addition to scholarships, YDFDA is also accepting applications for employment in the fishing industry from non-CDQ villages on the lower Yukon River.

For the second year in a row, Kwikpak Fisheries donated salmon to the school lunch programs in the Lower Yukon and Iditarod School Districts.

In August the training and employment coordinated traveled to all villages giving recruiting presentations with US Seafoods representative.

Development of the web page content is almost completed. Technical difficulties slowed down the process, but it is back on track. Once completed, it will allow access by interested individuals wanting to learn more about YDFDA, its subsidiaries, employment, training, and scholarship programs.

YDFDA's involvement with its partners, Alaska Works Partnership and Lower Yukon School District, in the planning and implementation of the first-ever Construction Training Academy in St. Mary's was a success. Feedback from the students and teachers were all positive. Media coverage included a radio spot on KNOM and newspaper coverage in the local newspaper "Delta Discovery" was printed. See attached. This training academy included residents from 4 CDQ villages and 4 non-CDQ villages.

Here are some other activities our Rural Development Specialist was involved with:

- Participated in a meeting with LYSD and AWP to evaluate the implementation of the Training Academy;
- Participated in a CDP planning meeting;
- Participated in the Foraker Operations Board meeting;
- Hosted a luncheon and closing ceremony for 16 youth from LYSD at the Training Academy;
- Presented to 17 youth about scholarship and training opportunities offered by YDFDA;
- Participated in the RurALCAP Foundation Board meeting;

Our village representative program continues in all six villages, Alakanuk, Emmonak, Grayling, Kotlik, Mountain Village and Nunam Iqua. The village representatives work in the communities to provide information regarding employment opportunities and training positions. They also administer drug tests to applicants. They have applications and information for residents interested in the scholarship programs and loan applications from both the Division of Investments and the AVCP Revolving Loan Program.

YDFDA's newsletter, the "Yukon Drifter", is mailed to every household in member communities.

YDFDA's 2003 Annual Report is currently at the printer and will be sent to all residents upon completion.

Discussions continue with District Y2 fishermen to address the problems of marketing district Y2 salmon. We met with Y2 fishermen in Pilot Station and St. Mary's prior to the season to discuss problems associated with the marketing of Y2 fish and steps fishermen could take to ensure quality of product delivered for sale. YDFDA, through Kwipak Fisheries, purchased all salmon offered for sale from district Y2 fishermen in June at our operations out of Mountain Village.

Post season we met again with district Y2 fishermen in St. Mary's to participate in discussions on options that would ensure a future market for Y2 fish.

The attached announcements were posted in the villages during the third quarter.

C. EMPLOYMENT

1. EMPLOYMENT DATA FORM – September 30, 2004

	3 rd Quarter		Year-To-Date	
	People	Wages	People	Wages
Management/Administrative	9	\$144,004.70	9	\$400,112.74
Village Representatives	6	\$7,000.00	6	\$22,000.00
CDQ Pollock				
A Season		\$.00	24	\$437,206.85
B Season	13	\$.00	13	\$.00
Other Fishing	19	\$57,092.55	32	\$185,639.58
Other Employment	88	\$96,379.10	120	\$224,689.68
Internships	4	\$17,461.73	6	\$35,846.45
Total of Rows	139	\$321,938.05	210	\$1,305,495.30
Total Unique Individuals	139	\$321,938.08	210	\$1,305,495.30

2. SUMMARY:

- ◆ Management/Administrative – 9
- ◆ Village Representatives – 6 (one from each of the six villages)
- ◆ CDQ Pollock – 13
- ◆ Other Fishing – 19
- ◆ Internships – 4

Other Employment

- ◆ YDFDA Welding Program – 3
- ◆ Kwikpak Fisheries – 84
- ◆ Icicle Seafoods - 1

NOTES TO EMPLOYMENT DATA FORM:

Management/Administrative – 9 employees working for YDFDA in Alakanuk, Anchorage, Emmonak, and Seattle. Six employees are or have been residents of YDFDA member villages.

Village Representatives - 6 residents representing YDFDA as Village Representatives, one in each member village.

CDQ Pollock – M/V Golden Alaska out of Dutch Harbor, AK

13 residents worked in the processing plant. 12 were continuing crew and 1 was a first time trainee.

Breakdown by village: 3 residents from Alakanuk
 6 residents from Emmonak
 1 resident from Grayling
 3 residents from Nunam Iqua

NOTE: No wages are being reported this quarter as they were still fishing.

Other Fishing – 19 residents Total

3 residents trained on YDFDA's F/V Lisa Marie fishing for sablefish out of Dutch Harbor, AK. 2 were returning crew, 1 was a first time trainees.

Breakdown by village: 1 resident from Emmonak
 1 resident from Grayling
 1 resident from Kotlik

1 resident continued as crew in a training program on Golden Alaska's catcher vessel F/V Ocean Leader. He was fishing for Pollock out of Dutch Harbor, AK.

1 resident continued as a crew in a full time position on Golden Alaska's catcher vessel F/V American Beauty. He was fishing for Pollock out of Dutch Harbor, AK.

Breakdown by village: 1 resident from Alakanuk
 1 resident from Emmonak

NOTE: No wages are being reported this quarter as they were still fishing.

5 residents worked at Peter Pan Seafoods' Dillingham Plant processing salmon. 4 were continuing employees and 1 was a first time trainee.

Breakdown by village: 3 residents from Emmonak
 2 residents from Mountain Village

NOTE: No wages are being reported this quarter, will provide next quarter.

3 residents worked aboard US Seafoods' Seafreeze. Two were processing bottom fish and one was working in housekeeping out of Adak. 2 were returning crew, 1 was a first time trainee.

Breakdown by village: 1 resident from Alakanuk
 1 resident from Emmonak
 1 resident from Kotlik

6 residents worked aboard YDFDA vessels harvesting Norton Sound Crab. All 6 were first time crew.

Breakdown by village: 3 residents from Emmonak
 3 residents from Kotlik

Other Employment – 88 residents Total

3 residents were employed at YDFDA's welding facility in Alakanuk. All 3 were continuing employees.

Breakdown by village: 3 residents from Emmonak

84 residents were employed by Kwipak Fisheries in Emmonak. 74 were returning employees, 10 were new hires.

Breakdown by village: 44 residents from Emmonak
 17 residents from Kotlik
 23 residents from Mountain Village

1 resident was employed at Icicle Seafoods' Seward plant as their receptionist.

Breakdown by village: 1 resident from Emmonak

Internships – 4 residents Total

1 resident began an accounting internship for Kwipak Fisheries at YDFDA's Seattle office.

Breakdown by village: 1 resident from Emmonak

3 residents were employed as interns with the Department of Fish and Game in Emmonak. They operated test net sites on the Yukon River.

Breakdown by village: 3 residents from Emmonak

D. TRAINING

1. TRAINING DATA FORM – September 30, 2004

	3 rd Quarter		Year-To-Date	
	People	Expenditure	People	Expenditure
Scholarships				
University of Alaska	16	\$36,500.00	26	\$72,500.00
Alaska Pacific University	1	\$2,500.00	1	\$5,000.00
Sheldon Jackson College	1	\$2,500.00	1	\$2,500.00
Other Institutes	3	\$7,500.00	7	\$13,500.00
Voc-Tech Classes				
AVTEC and Other Institutions	22	\$36,473.56	31	\$41,980.66
Other Training				
Fisheries Related – See Emp Sheet	11	\$15,400.00	54	\$49,762.93
Lisa Marie Training Wages	--	\$16,172.01	--	\$19,418.46
Catcher Vessel Training Wages	--	\$00.00	--	\$48,375.95
Interns	4	\$33,873.47	6	\$53,571.18
Other –Vessel Safety/Village Reps	32	\$158.77	59	\$8,627.48
Other Expenditures				
To Educational Institutes				
Educational Endowment Funds				
Other				
Total	90	\$151,077.81	185	\$315,236.66

2. SUMMARY

- ◆ Scholarships – 21
 - ◆ Voc - Tech Classes - 22
 - ◆ Fisheries Training Expenses – 10
 - ◆ Lisa Marie/Catcher Vessel Training Wages – People counted in Fisheries Training
 - ◆ Village Rep Exp/Vessel Safety/First Aid – 32 (Expense previously reported)
 - ◆ Internship - 4
- Total – 89

NOTES TO TRAINING DATA FORM:

Scholarships/Voc-Tech Classes - 43 Students Total

15 residents were enrolled at the University of Alaska under YDFDA's scholarship program.

5 were continuing students and 10 were new.

Breakdown by village: 3 residents from Alakanuk
 4 residents from Emmonak
 1 resident from Graying
 3 residents from Mt. Village
 4 resident from Kotlik

1 resident was enrolled at the University of Alaska under YDFDA's "B" scholarship program.
New student.

Breakdown by village: 1 Shageluk

1 resident was enrolled at Alaska Pacific University under YDFDA's scholarship program.
Continuing student.

Breakdown by village: 1 resident from Mtn. Village

1 resident was enrolled at Sheldon Jackson College under YDFDA's scholarship program.
New student.

Breakdown by village: 1 resident from Emmonak

2 residents were enrolled at the University of Alaska under YDFDA's Yukon Delta Education Fund. Both are new students.

Breakdown by village: 1 resident from Emmonak
 1 resident from Kotlik

1 resident was enrolled at the Alaska Christian College under YDFDA's Yukon Delta Education Fund. New student.

Breakdown by village: 1 resident from Alakanuk

1 resident is currently enrolled in AVTEC's Business & Office Technology program in Seward, AK. New student.

Breakdown by village: 1 resident from Grayling

2 residents are currently enrolled in AVTEC's Facility Maintenance program in Seward, AK
New students.

Breakdown by village: 1 resident from Emmonak
 1 resident from Kotlik

1 resident is currently enrolled in AVTEC's Information Technology program in Seward, AK.
New student.

Breakdown by village: 1 resident from Emmonak

1 resident is currently enrolled in an accounting program at Seattle Central Community College. New student.

Breakdown by village: 1 resident from Emmonak

17 residents participated in the Construction Training Academy at St. Mary's.

Breakdown by village: 1 resident from Alakanuk
4 residents from Emmonak
2 residents from Kotlik
3 residents from Mountain Village
1 resident from Nunam Iqua
1 resident from Hooper Bay
3 residents from Scammon Bay
2 residents from Marshall

Fisheries Training – 11 residents total were involved in YDFDA's fisheries training program.
NOTE: Definition of training program is first time experience.

1 resident was aboard the M/V Golden Alaska as first time trainees processing Pollock.

Breakdown by village: 1 resident from Alakanuk

1 resident was aboard the F/V Lisa Marie as first time trainees fishing for sablefish and halibut.

Breakdown by village: 1 resident from Grayling

1 resident worked at Peter Pan Seafoods' Dillingham Plant processing salmon as a first time trainee.

Breakdown by village: 1 resident from Emmonak

2 residents were first time trainees aboard US Seafoods' Seafreeze. They were processing bottom fish out of Adak.

Breakdown by village: 1 resident from Alakanuk
1 resident from Kotlik

6 residents worked aboard YDFDA vessels harvesting Norton Sound Crab. All 6 were first time crew.

Breakdown by village: 3 residents from Emmonak
3 residents from Kotlik

Other Training

32 residents participated in first aid classes were provided by the Yukon Kuskokwim Health Corporation.

Breakdown by village: 15 residents from Alakanuk
17 residents from Emmonak

Internships

1 resident began an accounting internship for Kwikpak Fisheries at YDDA's Seattle office.

Breakdown by village: 1 resident from Emmonak

3 residents continued internships with the Department of Fish and Game in Emmonak. They operated test net sites on the Yukon River.

Breakdown by village: 3 residents from Emmonak

III. ADMINISTRATION

A. Board Activities

Changes in Membership: There were no changes to YDFDA's Board of Directors during this quarter.

The Board of Directors met once during the second quarter:
August 10 and 11, 2004 in Anchorage

NOTE: Please see Confidential Exhibit C for minutes.

B. State of Alaska Reporting Compliance - None

C. CDP Amendment Status

July 26, 2004	04-08YD Add shoreside processor to the CDP Fish Plan
Sept 27, 2004	04-09YD Add shoreside processor to the CDP Fish Plan

D. Other Issues - None



HARVESTING ACTIVITIES

A. Pollock & Multi-species Harvest by Quarter/YTD Activities by Target Fishery.

Summary Table of all target fisheries taking place in the Third Quarter 2004

MS CDQ / PSQ Account Status Report To September 30, 2004													
CDQ Group: YDFDA	Units	Initial Allocation Amount	Transferred In	Transferred Out	Allocation after transfers	CDQ / PSQ Catch Reported				YTD Harvest	Percent Harvested	CDQ / PSQ	Percent
CDQ Reserve Category						1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Harvest		Remaining	Remaining
BS Pollock	mt	20888.000			20,888.000	8,332.615		12,515.243		20,847.858	99.81%	40.142	0.19%
Pacific Cod	mt	3070.970		-120.000	2,950.970	868.045	842.277	354.004		2,064.326	69.95%	886.644	30.05%
BS FG Sablefish	mt	89.900			89.900	6.679	24.651	11.379		42.709	47.51%	47.191	52.49%
AI FG Sablefish	mt	65.100			65.100			6.274		6.274	9.64%	58.826	90.36%
BS Sablefish	mt	23.980		-16.000	7.980							7.980	100.00%
AI Sablefish	mt	12.180		-7.500	4.680							4.680	100.00%
WAI Atka Mackerel 543	mt	279.000		-270.000	9.000							9.000	100.00%
CAI Atka Mackerel 542	mt	419.940		-410.000	9.940							9.940	100.00%
EAI/BS Atka Mackerel 541	mt	151.740		-140.000	11.740	0.036	0.013	0.141		0.190	1.62%	11.550	98.38%
Yellowfin Sole	mt	1743.120		-1,600.000	143.120	8.462	7.229	2.135		17.826	12.46%	125.294	87.54%
Rock Sole	mt	707.250		-570.000	137.250	28.230	0.422	0.407		29.059	21.17%	108.191	78.83%
BS Greenland Turbot	mt	40.600		-16.000	24.600	0.169	1.633	0.934		2.736	11.12%	21.864	88.88%
AI Greenland Turbot	mt	11.400		-5.000	6.400			0.292		0.292	4.56%	6.108	95.44%
Arrowtooth Flounder	mt	198.000		-140.000	58.000	5.456	10.730	11.092		27.278	47.03%	30.722	52.97%
Flathead Sole	mt	285.000		-190.000	95.000	14.206	4.339	8.129		26.674	28.08%	68.326	71.92%
Other Flatfish	mt	58.500		-30.000	28.500	9.242	0.038	0.086		9.366	32.86%	19.134	67.14%
Alaska Plaice	mt	105.000		-75.000	30.000	0.004		0.031		0.035	0.12%	29.965	99.88%
BS Pacific Ocean Perch	mt	16.960		-11.000	5.960			0.001		0.001	0.02%	5.959	99.98%
WAI Pacific Ocean Perch 543	mt	70.020		-63.000	7.020							7.020	100.00%
CAI Pacific Ocean Perch 542	mt	39.420		-33.000	6.420							6.420	100.00%
EAI Pacific Ocean Perch 541	mt	41.220		-32.000	9.220							9.220	100.00%
Northern Rockfish	mt	N/A									N/A	N/A	N/A
Shortraker Rockfish	mt	N/A				0.005	0.024	0.032		0.061	N/A	N/A	N/A
Rougheye Rockfish	mt	N/A									N/A	N/A	N/A
BS Other Rockfish	mt	6.650			6.650	0.029	0.093	0.052		0.174	2.62%	6.476	97.38%
AI Other Rockfish	mt	9.120			9.120							9.120	100.00%
Other Species	mt	408.000			408.000	182.881	162.474	55.819		401.174	98.33%	6.826	1.67%
PSQ Reserve Category													
Zone 1 Red King Crab	ea	3398		-1,600	1,798		48			47.660	2.65%	1,750.340	97.35%
Zone 1 Bairdi Tanner Crab	ea	19110		-12,000	7,110	24	87	146		257,000	3.61%	6,853.000	96.39%
Zone 2 Bairdi Tanner Crab	ea	53460		-40,000	13,460							13,460.000	100.00%
Opilio Tanner Crab	ea	81563		-45,000	36,563							36,563.000	100.00%
Pacific Halibut (mortality)	mt	78.89		-40.000	38.890	1.861	4.638	1.500		7.999	20.57%	30.891	79.43%
Chinook Salmon	ea	305			305	246		209		455	149%	-150	-49.16%
Non-Chinook Salmon	ea	441			441							441	100.00%

Pollock Target Fishery

Pollock Target Fishery Harvest Activity Third Quarter as of September 30, 2004								
CDQ Reserve Category	Units	Allocation after transfers	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Harvest	% of Target Harvest
A Season (40%)	mt	8,355.200	8,332.615				8,332.615	39.969%
B Season (60%)	mt	12,532.800			12,515.243		12,515.243	60.031%
BS Pollock Total	mt	20,888.000	8,332.615	0.000	12,515.243	0.000	20,847.858	100.000%
Bycatch								
Pacific Cod	mt	2,950.970	49.585		16.471		66.056	0.317%
BS FG Sablefish	mt	89.900					0.000	0.000%
AI FG Sablefish	mt	65.100					0.000	0.000%
BS Sablefish	mt	7.980					0.000	0.000%
AI Sablefish	mt	4.680					0.000	0.000%
WAI Atka Mackerel 543	mt	9.000					0.000	0.000%
CAI Atka Mackerel 542	mt	9.940					0.000	0.000%
EAI/BS Atka Mackerel 541	mt	11.740	0.019		0.032		0.051	0.000%
Yellowfin Sole	mt	143.120	8.454		0.013		8.467	0.041%
Rock Sole	mt	137.250	26.085		0.082		26.167	0.126%
BS Greenland Turbot	mt	24.600			0.293		0.293	0.001%
AI Greenland Turbot	mt	6.400					0.000	0.000%
Arrowtooth Flounder	mt	58.000	0.191		1.745		1.936	0.009%
Flathead Sole	mt	95.000	8.484		3.925		12.409	0.060%
Other Flatfish	mt	28.500	8.753		0.078		8.831	0.042%
Alaska Plaice	mt	30.000	0.004		0.031		0.035	0.000%
BS Pacific Ocean Perch	mt	5.960					0.000	0.000%
WAI Pacific Ocean Perch 543	mt	7.020					0.000	0.000%
CAI Pacific Ocean Perch 542	mt	6.420					0.000	0.000%
EAI Pacific Ocean Perch 541	mt	9.220					0.000	0.000%
Northern Rockfish	mt	0.000					0.000	0.000%
Shortraker Rockfish	mt	0.000					0.000	0.000%
Rougheye Rockfish	mt	0.000					0.000	0.000%
BS Other Rockfish	mt	6.650			0.017		0.017	0.000%
AI Other Rockfish	mt	9.120					0.000	0.000%
Other Species	mt	408.000	8.946		4.082		13.028	0.062%
PSQ Reserve Category								
Zone 1 Red King Crab	ea	1,798					0	0.000
Zone 1 Bairdi Tanner Crab	ea	7,110					0	0.000
Zone 2 Bairdi Tanner Crab	ea	13,460					0	0.000
Opilio Tanner Crab	ea	36,563					0	0.000
Pacific Halibut (mortality)	mt	38.890	0.195		0.014		0.209	0.000
Chinook Salmon	ea	305	246		206		452	0.022
Non-Chinook Salmon	ea	441					0	0.000

Pacific Cod Target Fishery

Pacific Cod Target Fishery Harvest Activity Third Quarter as of September 30, 2004								
Species	Units	Allocation after transfers	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Harvest	% of Target Harvest
A Season (60%)	mt	1,770.582	817.776	840.886			1,658.662	83.1%
B Season (40%)	mt	1,180.388			337.528		337.528	16.9%
Pacific Cod Total	mt	2,950.970	817.776	840.886	337.528	0.000	1,996.190	100.0%
Bycatch								
Non Pollock Quota	mt	N/A					0.000	0.00%
BS FG Sablefish	mt	89.900			2.464		2.464	0.12%
AI FG Sablefish	mt	65.100					0.000	0.00%
BS Sablefish	mt	7.980					0.000	0.00%
AI Sablefish	mt	4.680					0.000	0.00%
WAI Atka Mackerel 543	mt	9.000					0.000	0.00%
CAI Atka Mackerel 542	mt	9.940					0.000	0.00%
EAI/BS Atka Mackerel 541	mt	11.740	0.004		0.109		0.113	0.01%
Yellowfin Sole	mt	143.120	0.008	7.229	2.122		9.359	0.47%
Rock Sole	mt	137.250	2.145	0.422	0.325		2.892	0.14%
BS Greenland Turbot	mt	24.600	0.079		0.456		0.535	0.03%
AI Greenland Turbot	mt	6.400					0.000	0.00%
Arrowtooth Flounder	mt	58.000	3.323	2.571	8.982		14.876	0.75%
Flathead Sole	mt	95.000	5.722	4.339	4.204		14.265	0.71%
Other Flatfish	mt	28.500	0.489	0.035	0.008		0.532	0.03%
Alaska Plaice	mt	30.000					0.000	0.00%
BS Pacific Ocean Perch	mt	5.960			0.001		0.001	0.00%
WAI Pacific Ocean Perch 543	mt	7.020					0.000	0.00%
CAI Pacific Ocean Perch 542	mt	6.420					0.000	0.00%
EAI Pacific Ocean Perch 541	mt	9.220					0.000	0.00%
Northern Rockfish	mt	0.000					0.000	0.00%
Shortraker Rockfish	mt	0.000			0.032		0.032	0.00%
Rougheye Rockfish	mt	0.000					0.000	0.00%
BS Other Rockfish	mt	6.650		0.053	0.018		0.071	0.00%
AI Other Rockfish	mt	9.120					0.000	0.00%
Other Species	mt	408.000	173.934	162.445	51.737		388.116	19.44%
PSQ Reserve Category								
Zone 1 Red King Crab	ea	1798		48			47.660	2.39%
Zone 1 Bairdi Tanner Crab	ea	7110	24	87	146		257.000	12.87%
Zone 2 Bairdi Tanner Crab	ea	13460					0	0.00%
Opilio Tanner Crab	ea	36563					0	0.00%
Pacific Halibut (mortality)	mt	38.890	1.61	4.611	1.486		7.707	0.39%
Chinook Salmon	ea	305			3		3	0.15%
Non-Chinook Salmon	ea	441					0	0.00%

Bering Sea Sablefish Target Fishery

Bering Sea Sablefish Target Fishery Harvest Activity Third Quarter as of September 30, 2004								
CDQ Reserve Category	Units	Allocation after transfers	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Harvest	% of Target Harvest
BS FG Sablefish	mt	89.900	6.679	24.651	8.915		40.245	100.0%
Bycatch								
Non Pollock Quota	mt	N/A					0.000	0.0%
Pacific Cod	mt	2,950.970	0.684	1.391	0.000		2.075	5.2%
AI FG Sablefish	mt	65.100					0.000	0.0%
BS Sablefish	mt	7.980					0.000	0.0%
AI Sablefish	mt	4.680					0.000	0.0%
WAI Atka Mackerel 543	mt	9.000						0.0%
CAI Atka Mackerel 542	mt	9.940						0.0%
EAI/BS Atka Mackerel 541	mt	11.740	0.013	0.013			0.026	0.1%
Yellowfin Sole	mt	143.120					0.000	0.0%
Rock Sole	mt	137.250					0.000	0.0%
BS Greenland Turbot	mt	24.600	0.090	1.633	0.185		1.908	4.7%
AI Greenland Turbot	mt	6.400						0.0%
Arrowtooth Flounder	mt	58.000	1.942	8.159	0.365			0.0%
Flathead Sole	mt	95.000						0.0%
Other Flatfish	mt	28.500		0.003				0.0%
Alaska Plaice	mt	30.000					0.000	0.0%
BS Pacific Ocean Perch	mt	5.960					0.000	0.0%
WAI Pacific Ocean Perch 543	mt	7.020					0.000	0.0%
CAI Pacific Ocean Perch 542	mt	6.420					0.000	0.0%
EAI Pacific Ocean Perch 541	mt	9.220					0.000	0.0%
Northern Rockfish	mt	0.000					0.000	0.0%
AI Northern Rockfish	mt	0.000					0.000	0.0%
Shortraker Rockfish	mt	0.000	0.005	0.024			0.029	0.1%
Rougheye Rockfish	mt	0.000					0.000	0.0%
BS Other Rockfish	mt	6.650	0.029	0.040	0.017		0.086	0.2%
AI Other Rockfish	mt	9.120					0.000	0.0%
Other Species	mt	408.000	0.001	0.029	0.000		0.030	0.1%
PSQ Reserve Category								
Zone 1 Red King Crab	ea	1798					0	0.0%
Zone 1 Bairdi Tanner Crab	ea	7110					0	0.0%
Zone 2 Bairdi Tanner Crab	ea	13460					0	0.0%
Opilio Tanner Crab	ea	36563					0	0.2%
Pacific Halibut (mortality)	mt	38.890	0.056	0.027			0.000	0.0%
Chinook Salmon	ea	305.000					0	0.0%
Non-Chinook Salmon	ea	441.000					0	0.0%

Aleutian Island Sablefish Target Fishery

Aleutian Islands Sablefish Target Fishery Harvest Activity Third Quarter as of September 31, 2004								
CDQ Reserve Category	Units	Allocation after transfers	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Harvest	% of Target Harvest
AI FG Sablefish	mt	65.100			6.274		6.274	100.0%
Bycatch								
Non Pollock Quota	mt	N/A					0.000	0.0%
Pacific Cod	mt	2,950.970			0.005		0.005	0.1%
BS FG Sablefish	mt	89.900					0.000	0.0%
BS Sablefish	mt	7.980					0.000	0.0%
AI Sablefish	mt	4.680					0.000	0.0%
WAI Atka Mackerel 543	mt	9.000					0.000	0.0%
CAI Atka Mackerel 542	mt	9.940					0.000	0.0%
EAI/BS Atka Mackerel 541	mt	11.740					0.000	0.0%
Yellowfin Sole	mt	143.120					0.000	0.0%
Rock Sole	mt	137.250					0.000	0.0%
BS Greenland Turbot	mt	24.600					0.000	0.0%
AI Greenland Turbot	mt	6.400			0.292		0.292	4.7%
Arrowtooth Flounder	mt	58.000					0.000	0.0%
Flathead Sole	mt	95.000					0.000	0.0%
Other Flatfish	mt	28.500					0.000	0.0%
Alaska Plaice	mt	30.000					0.000	0.0%
BS Pacific Ocean Perch	mt	5.960					0.000	0.0%
WAI Pacific Ocean Perch 543	mt	7.020					0.000	0.0%
CAI Pacific Ocean Perch 542	mt	6.420					0.000	0.0%
EAI Pacific Ocean Perch 541	mt	9.220					0.000	0.0%
BS Northern Rockfish	mt	0.000					0.000	0.0%
AI Northern Rockfish	mt	0.000					0.000	0.0%
BS Shortraker/Rougheye Rockfish	mt	0.000					0.000	0.0%
AI Shortraker/Rougheye Rockfish	mt	0.000					0.000	0.0%
BS Other Rockfish	mt	6.650					0.000	0.0%
AI Other Rockfish	mt	9.120					0.000	0.0%
Other Species	mt	408.000					0.000	0.0%
PSQ Reserve Category								
Zone 1 Red King Crab	ea	1,798.000					0	0.0%
Zone 1 Bairdi Tanner Crab	ea	7,110.000					0	0.0%
Zone 2 Bairdi Tanner Crab	ea	13,460.000					0	0.0%
Opilio Tanner Crab	ea	36,563.000					0	0.0%
Pacific Halibut (mortality)	mt	38.890					0.000	0.0%
Chinook Salmon	ea	305.000					0	0.0%
Non-Chinook Salmon	ea	441.000					0	0.0%

Crab Target Fisheries

Crab Harvest Activity											
First Quarter as of September 30, 2004											
CDQ Reserve Category	Units	Annual Allocation	Transferred In	Transferred Out	Allocation after transfers	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Harvest	Percent Harvested
Bering Sea C. <i>Opilio</i> (snow) Tanner crab	lbs	302,954		395	302,559	302,559				302,559	100.00%
Bering Sea C. <i>Bairdi</i> Tanner crab	lbs				0					0	
Bristol Bay Red King crab	lbs				0					0	
Norton Sound Red King crab	lbs	13,250			13,250		13,025			13,025	98.30%
Pribilof Red & Blue King crab	lbs				0					0	
St Matthew Blue King crab	lbs				0					0	

Flat Fish/Atka Mackerel Joint Fishery September 30, 2004

Flatfish / Atka Mackerel Pool			
BBEDC-CBSFA-CVRF-YDFDA			
CDQ SPECIES	Total 2004 Flatfish Pool	Total CDQ Catch	Percent of CDQ Caught
Pacific Cod	410.000	239.073	62.91%
BS Sablefish	41.000	0.000	0.00%
AI Sablefish	22.750	0.000	0.00%
WAI Atka Mackerel	842.500	831.725	98.72%
CAI Atka Mackerel	1,266.950	1,265.907	99.92%
EAI/BS Atka Mackerel	438.000	429.675	98.10%
Yellowfin Sole	4,040.000	2,312.719	57.25%
Rock Sole	1,384.500	392.793	28.79%
BS Greenland Turbot	64.800	0.316	0.54%
AI Greenland Turbot	29.000	12.913	44.53%
Arrowtooth Flounder	328.000	53.181	17.16%
Flathead Sole	579.100	127.235	22.56%
Other Flatfish	65.250	18.304	30.51%
Alaska Plaice	367.500	109.156	31.32%
BS Pacific Ocean Perch	45.580	0.000	0.00%
WAI Pacific Ocean Perch	205.950	204.034	99.07%
CAI Pacific Ocean Perch	111.850	97.259	86.95%
EAI Pacific Ocean Perch	111.300	107.968	97.01%
BS Other Rockfish	7.500	0.000	0.00%
AI Other Rockfish	14.940	6.770	48.57%
Prohibited Species Quota			
Zone 1 Red King Crab	5,050.000	88.495	1.97%
Zone 1 Bairdi Crab	29,000.000	644.191	2.58%
Zone 2 Bairdi Crab	111,000.000	4,783.701	4.78%
Opilio Tanner Crab	125,000.000	0.000	0.00%
Pacific Halibut	94.000	44.056	51.83%

Yukon Delta Fisheries Development Association
Third Quarter 2004 Report
July 1, 2004 – September 30, 2004

CDQ Transfers through September 30 , 2004

2004 YDFDA CDQ species transfers thru Sept 30,2004					Transfer Number 04-02 YD	Transfer Number 04-04YD
No species transfers occurred during the third quarter					TO FROM BBEDC	TO FROM BBEDC
CDQ Species					1/26/2004	3/2/2004
Species or Species Group	Units	Year to Date		NET		
		Transfers	Transfers	Allocation		
		IN	OUT			
BS Pollock	mt	20888.000				
Pacific Cod	mt	3070.970	-120	2950.970	120	
BS FG Sablefish	mt	89.900		89.900		
AI FG Sablefish	mt	65.100		65.100		
BS Sablefish	mt	23.980	-16	7.980	16	
AI Sablefish	mt	12.180	-7.5	4.680	7.5	
WAI Atka Mackerel 543	mt	279.000	-270	9.000	270	
CAI Atka Mackerel 542	mt	419.940	-410	9.940	410	
EAI/BS Atka Mackerel 541	mt	151.740	-140	11.740	140	
Yellowfin Sole	mt	1743.120	-1600	143.120	1600	
Rock Sole	mt	707.250	-570	137.250	570	
BS Greenland Turbot	mt	40.600	-16	24.600	16	
AI Greenland Turbot	mt	11.400	-5	6.400	5	
Arrowtooth Flounder	mt	198.000	-140	58.000	140	
Flathead Sole	mt	285.000	-190	95.000	190	
Other Flatfish	mt	58.500	-30	28.500	30	
Alaska Plaice	mt	105.000	-75	30.000	75	
BS Pacific Ocean Perch	mt	16.960	-11	5.960	11	
WAI Pacific Ocean Perch 543	mt	70.020	-63	7.020	63	
CAI Pacific Ocean Perch 542	mt	39.420	-33	6.420	33	
EAI Pacific Ocean Perch 541	mt	41.220	-32	9.220	32	
Northern Rockfish	mt	N/A				
AI Northern Rockfish	mt	0.000				
Shortraker Rockfish	mt	N/A				
Rougheye Rockfish	mt	N/A				
BS Other Rockfish	mt	6.650				
AI Other Rockfish	mt	9.120				
Other Species	mt	408.000				
PSQ Reserve Category	0	0				
Zone 1 Red King Crab	ea	3398	-1600	1798	1600	
Zone 1 Bairdi Tanner Crab	ea	19110	-12000	7110	12000	
Zone 2 Bairdi Tanner Crab	ea	53460	-40000	13460	40000	
Opilio Tanner Crab	ea	81563	-45000	36563	45000	
Pacific Halibut (mortality)	mt	78.89	-40	38.890	40	
Chinook Salmon	ea	305				
Non-Chinook Salmon	ea	441				
Halibut CDQ						
Halibut 4B	lbs	0	0			
Halibut 4C	lbs	0	0			
Halibut 4D	lbs	103200	0	103200		
Halibut 4E	lbs	0	0			
Crab CDQ						
Opilio	lbs	302954	-395	302559		395
NS Red King Crab	lbs		0	0		
BB Red King Crab	lbs		0	0		
St Matt	lbs					
Pribolof	lbs					

B. CDQ Fishing Activities

Pollock - The Golden Alaska group fished Co-op Pollock until the beginning of October and the entire allocation of “B” season CDQ was taken during that time.

Pacific Cod - The approved vessels began fishing CDQ in early August and fished CDQ until the opening of the open access fishery on the 15th of August.

Sablefish – The Lisa Marie pot fished CDQ and IFQ Sablefish during July in the Bering Sea. The fishing was very slow and the vessel switched to other IFQ species. Another vessel pot fished until early July in the AI area. The fishing was so slow that the captain quit fishing after one trip in which he extensively searched the area for a better catch rate.

Atka Mackerel/Flatfish – US Seafoods’ vessels were fishing their combined four CDQ allocations in the Yellowfin Sole and Atka Mackerel fisheries during the quarter.

Halibut – 100% of our CDQ allocation of 4D halibut was taken during this quarter with extremely low bycatch.

Norton Sound Crab – Over 98% of the quota was taken in the second quarter and the open access fishery was open during the third quarter.

C. Compliance

There were no compliance issues of which we were aware during this quarter.

D. Other Fishing Issues/Activities

None